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**PUBLIC OWNERSHIP :
POINTS from PROSPECTUSES**

BY

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PUBLIC OWNERSHIP

POINTS FROM PROSPECTUSES.

PUBLIC Ownership of various services and undertakings is one of the main tenets of the Socialist, who claims that by that means a more equitable distribution of income can be secured, and the service itself run with a single eye to the public needs instead of for the pecuniary benefit of a limited number of persons. Public Ownership, whether it be called Nationalisation, Municipalisation, or anything else, is bitterly opposed by those who control finance, industry and the Press—"Big Business," in fact—the principal allegation being that when a concern is run by servants of the community, it is a financial failure.

It is possible, however, to apply to this contention an extremely rigorous test. Capital is required from time to time for the creation or extension of publicly owned undertakings, just as it is for private enterprises, and it is raised from the public in just the same way, except that, the security being so much better, the publicly owned undertaking can obtain all the capital required on "debenture terms," i.e., at the lowest rate, instead of having to issue part in preference shares at a higher rate, and part in ordinary shares yielding a much higher rate to the investor, failing which the capital would not be provided. In each case a prospectus is issued. *The difference between a political speech or statement, and a statement in a prospectus is that if the latter is false, the investor who has provided capital, has redress against those who misled him.* Prospectus figures and statements, therefore, regarding publicly owned undertakings, are incontestable, and the fact that the financial houses, banks and others responsible for the prospectuses belong to those sections of the community that are hostile to the principle of public ownership, makes their testimony the more valuable.

In the following pages will be found a few examples of statements contained in recent prospectuses or other official documents, the date and other means of verification being given in every case.

It should be added that while Socialists attach even more importance to the quality of service or product than to the question of profitable operation in a monetary sense, only the latter point is dealt with in the following pages. Few people will be found to argue that London water, for instance, was

purser under the company regime than it is now under public ownership, or that electric current supplied by a municipality is inferior (except in cost) to that supplied by a company.

ROTHERHAM MAKES ICE—AND 17.8 PER. CENT.

The existing Borrowing Powers of the Corporation total £5,768,233, of which £4,273,928 has been exercised; the outstanding debt is £2,817,984, of which £2,135,831 is in respect of reproductive undertakings, including Waterworks, Electricity Works, Gas Works, Markets, Cold Stores and Ice Manufactory, Tramways, Trolley Omnibuses and Motor Omnibuses. The gross (or Trading) Profit upon the Trading Undertakings of the Corporation for the year ended March 31st, 1926, was £214,590, which represents an average of 9.7 per cent. upon the Capital Expenditure, or 17.8 per cent. on the net outstanding debt, and after providing for Interest and Sinking Fund Charges, left a surplus of £52,314.

The proceeds of the present Issue of Stock will be applied for Waterworks, Electricity Works, Street Improvements, Housing, Sewerage and other purposes and for paying off Existing Loans.—*Prospectus dated London, October 26th, 1926.*

WOLVERHAMPTON'S 15½ PER CENT.

The existing Borrowing Powers of the Corporation total £6,621,362, of which £5,103,404 has been exercised; the total outstanding debt is £3,300,705, of which £1,186,363 is in respect of reproductive undertakings, including Waterworks, Electricity works, Markets, Cold Stores and Ice Manufactory, Tramways, Trolley Omnibuses and Motor Omnibuses. The gross (or Trading) Profit upon the Trading Undertakings of the Corporation for the year ended March 31st, 1926, was £175,919, which represents an average of 8.5 per cent. upon the Capital Expenditure, or 15.5 per cent. on the net outstanding debt, and after providing for Interest and Sinking Fund Charges, left a surplus of £52,293.

The proceeds of the present Issue of Stock will be applied for Waterworks, Electricity Works, Street Improvements, Housing, Trolley Omnibuses and other purposes, and for paying off Existing Loans.—*Prospectus dated London, October 5th, 1926.*

NOTE.—*All publicly owned undertakings pay off year by year the capital they have raised, and in course of time set free for price reductions or other purposes the interest thus saved. An equally prosperous company would probably issue bonus shares, thus increasing the capital on which profits have to be earned.*

BRADFORD BORROWS AT 5 PER CENT;
EARNs 6.20 PER CENT.

The Borrowing Powers of the Corporation total £27,170,997, of which £23,691,372 has been exercised; the total outstanding debt is £16,051,753, of which £8,350,052 is in respect of reproductive undertakings, including Waterworks, Electricity Works, Gasworks, Tramways and Markets. The gross (or Trading) Profit upon the Trading Undertakings of the Corporation for the year ended March 31st, 1925, was £723,930, which represents an average of 6.20 per cent. upon the Capital Expenditure, and after providing for Interest and Sinking Fund Charges, left a net surplus of £106,700.—*Prospectus dated London, June 18th, 1926.*

NEWCASTLE-UPON-TYNE
A GREAT MUNICIPAL LANDOWNER.

The Freehold Landed Estates of the Corporation extend over a considerable area, and consist, in addition to extensive properties within the City, of the Walker Estate, which comprises the Lordship of Walker, containing 1,000 acres on the North Bank of the River Tyne, adjoining the City; Willington Estate, containing 99 acres, also on the North Bank of the River Tyne; and the Salt Meadows Estate, containing 83 acres on the South Bank of the river, in the County Borough of Gateshead; the Corporation also owns valuable Coal Royalties.

The land is chiefly let on building and improving leases for terms of 75 and 99 years, and will yearly become of increasing value as the periods approach when the leases will fall in.

The Corporation are also owners of Quays extending along the most valuable portion of the river, and of Tramways, Parks, Markets, and properties in the City from which a large annual income is derivable.

The total assets of the Corporation amount to £11,499,944, and the total liabilities, including the debt of the City according to the last published Accounts, are £7,038,791, leaving a surplus of assets over liabilities of £4,461,153.

The Borrowing Powers of the Corporation total £12,776,020, of which £9,733,234 has been exercised; the total outstanding debt is £6,451,055, of which £4,528,205 is in respect of reproductive undertakings. These include Markets and Tramways, the Gross (or Trading) Profit upon which for the year ended March 31st, 1926, was £164,428, which represents an average of 6.83 per cent. upon the Capital Expenditure or 14.11 per cent. upon the net Outstanding Debt, and after providing for Interest and Sinking Fund Charges, left a net surplus of £52,672.—*Prospectus dated London, December 7th, 1926.*

SWANSEA'S "LARGE AND VALUABLE ESTATE."

The existing Borrowing Powers of the Corporation total £7,323,130, of which £6,246,863 has been exercised; the total outstanding debt is £4,411,463, of which £2,030,832 is in respect of reproductive undertakings, including Waterworks, Electricity Works, Tramways and Markets. The gross (or Trading) Profit upon the Trading Undertakings of the Corporation for the year ended March 31st, 1926, was £137,569, which represents an average of 5.5 per cent. upon the Capital Expenditure, or 8.9 per cent. on the net outstanding debt, and after providing for Interest and Sinking Fund Charges, left a net surplus of £22,883.

In addition to the reproductive undertakings mentioned the Corporation is possessed of a large and valuable Estate which yielded a surplus revenue during the year ended March 31st, 1926, of £19,242. This net income is increasing year by year as development proceeds and existing leases mature.

The proceeds of the present Issue of Stock will be applied for Waterworks, Electricity Works, Sewerage Works, Street Improvement, Small Dwellings Acquisition, and other purposes, and for paying off Existing Loans.—*Prospectus dated London, September 28th, 1926.*

BRISTOL'S BIG SURPLUS.

Financial Statistics relating to the City and County of Bristol :—

Capital Assets and Outlay :—

Properties, Outlay and Permanent Works :—

General Purposes	£9,541,728
Docks and Electricity Undertakings	8,605,520
			Total	18,147,248
Deduct Net Loan Debt	11,741,713

<i>Surplus Capital Assets and Outlay</i>	£6,405,535
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Prospectus dated Bristol, November 14th, 1925.

NOTE.—Bristol is one of the few big cities in Britain that does not own its trams, but it has its own electricity undertaking, estates and docks.

NOTTINGHAM'S 21 PER CENT. PROFIT.

The total assets of the Corporation amount to £17,308,555, and the total liabilities, including the debt of the City according to the last published Accounts, are £10,885,552, leaving a surplus of assets over liabilities of £6,423,003.

The Borrowing Powers of the Corporation total £16,418,100,

of which £13,808,518 has been exercised ; the outstanding debt is £8,044,922, of which £5,044,319 is in respect of reproductive undertakings, including Waterworks, Electricity Works, Gas Works, Tramway Undertaking, Trolley Vehicles and Motor Omnibuses.

The gross (or Trading) Profit upon the Gas Works, Electricity Works and Tramway Undertaking for the year ended March 31st, 1926, was £378,291, which represents an average of 10.9 per cent. upon the Capital Expenditure, or 21.4 per cent on the net outstanding debt, and after providing for Interest and Redemption Charges, left a net surplus of £136,652.

The Corporation also owns Estates from which it receives a gross rent roll exceeding £50,000 per annum.

The proceeds of the present Issue of Stock will be applied for Electricity Works, Street Improvements, Housing and other purposes and for paying off Existing Loans.—*Prospectus dated London, December 17th, 1926.*

GLASGOW'S £16,500,000 SURPLUS ASSETS.

GLASGOW CORPORATION 5 PER CENT. LOANS.

The Corporation can receive Loans on MORTGAGE for three to five years at 5 per cent. Interest payable half-yearly.

These Loans are a Trust Investment of the highest order, secured under the Loans Acts on the combined Municipal Assets, Rates, and Properties, and an Unlimited Guarantee Rate. The Assets of the Corporation exceed the Liabilities by over £16,500,000.

Mortgages are prepared Free of all Cost to Lenders, and no Fees are charged for the Registration of Transfers, Confirmations, etc.

A. C. McMILLAN, C.A.,
285, George Street, Glasgow, C.I. City Chamberlain.
Official advertisement, Glasgow, March, 1927.

WAKEFIELD'S GOOD SURPLUS.

The existing Borrowing Powers of the Corporation total £3,907,788, of which £2,453,077 has been exercised ; the outstanding debt is £1,722,907, of which amount £1,414,910, or 82 per cent., represents productive debt. The gross (or Trading) Profit upon the Trading Undertakings of the Corporation for the year ended March 31st, 1926, was £88,782, which is equal to 5.9 per cent. upon the Capital Expenditure and 9.4 per cent. on the net outstanding debt, and after providing for Interest and Sinking Fund Charges, left a surplus of £14,054. The assets are valued at £2,591,099.—*Prospectus dated London, November 1st, 1926.*

BLACKPOOL EARNS 18 PER CENT.

Through Corporation and General Securities the Corporation of Blackpool is offering for subscription to-day £750,000 of 5 per cent. Redeemable stock at the price of £100 10s. per cent., or $\frac{1}{2}$ per cent. premium. The stock is repayable at par on January 1st, 1957, unless previously redeemed, but the Corporation has the option to repay at par at any time on or after January 1st, 1947, on three months' notice.

The proceeds of the issue will be used principally in connection with the purchase of land, street improvements, gas and electricity undertakings, parks and recreation grounds, and the repayment of existing loans.

Among provincial municipalities Blackpool occupies a very favourable position. A return prepared of rates levied for the current financial year in 206 important towns shows that Blackpool was the lowest rated borough, the present rate being only 7s. 6d. in the £. Moreover, of the net outstanding debt, amounting to £4,386,305, no less than £2,312,351, or 53 per cent. represents productive expenditure, while the gross profit from the Corporation's trading undertakings for the year to March 31st last was equal to 11 per cent. on the capital outlay involved and to 18 per cent. on the net outstanding debt.—*Financial Times*, London, February 16th, 1927, commenting upon Prospectus of 5 per cent. Loan.

Municipal Landowners

B RITISH Corporations are mostly large landowners. Not only do they own parks, markets and other freehold sites within their boundaries, but often they possess important properties elsewhere. Thus the City of Newcastle is the owner of the famous Walker Estate, covering 1,000 acres, on the north bank of the Tyne. Nottingham, again, owns estates which bring in an annual income of no less than £50,000 a year.

Such estates are but one minor item in the "property, rates and revenues" of a British Corporation on which the Loans it issues are secured. There are all the other assets possessed by the Corporation in the shape of buildings, tramways, gas and electricity works, waterworks, etc., while behind all these stands the Ratepayer.

It may be said, indeed, that the security behind British Corporation stocks is the British Ratepayer, first in his corporate capacity as the owner of all municipal assets and then in his capacity as a private citizen liable to meet from his personal fortune all the demands made upon him by the city in which he lives. Can any investor ask for better or more adequate security?

The stocks of British Public Authorities can be bought to yield the holder an income of 5 per cent. clear, just enough more than Government stocks to make the difference attractive, and their soundness is such that they form the ideal investment either for trustees or individuals.

This announcement is issued by Corporation and General Securities, Ltd., in the interests of the many British Corporations and other local authorities it has the honour to serve. No correspondence is invited. Investors wishing to learn more of this class of security should communicate with Members of the London or Provincial Stock Exchanges.

Advertisement in *Investors' Chronicle*, July 2nd, 1927.

Assets	- £24,005,466
Liabilities	- £16,821,059
Surplus	- £7,184,407

SHEFFIELD ! How proud a business organisation would be were it able to place such figures as these on its balance sheet. They represent the financial position of the City of Sheffield valued as a going concern. Over 75% of Sheffield's net debt is in respect of reproductive undertakings, which earned a gross profit of 10·82% on the net debt outstanding ; leaving, after interest and sinking fund, a surplus of over a quarter of a million pounds, for the last financial year.

These reproductive undertakings include Water, Tramways, Electric Supply, Markets and Abattoirs.

Similar figures could be presented by many other cities and towns throughout Great Britain. They provide just one of the many reasons why British Corporation stocks are popular with investors.

No wonder, then, that these stocks rank next to British Government securities as safe and sound investments. Five per cent. and safety is the wise policy of the man who puts his money into British Corporation Stock.

Official advertisement of Corporation and General Securities, Ltd., in the *Investors' Chronicle* and other papers, February 19th, 1927.

WHERE BERLIN BEATS LONDON.

In July, 1927, there was issued in London by Messrs. Baring, Rothschild and Schröder £3,500,000 of City of Berlin 6 per cent. Bonds. It will be noted from the following extract from the Prospectus, dated July 4th, 1927, that Berlin is free from the chaotic conditions of London transport, in that it owns, or controls through share ownership, all the trams, tubes and omnibuses. In fact, the money provided by London financiers is being utilised to extend the overhead portions of the "tubes."

All the tramways, elevated and underground railways, and omnibuses in Berlin belong to or are controlled by the City. At the end of 1926 these consisted of :—

597 km. of tramlines, 280 km. omnibus routes, 57 km. elevated and underground railway lines.

In 1926 the tramways carried over 813 million passengers or a daily average of 2.2 million passengers. During the same period there were 163 million passengers on the elevated and underground railways, and nearly 113 million motor omnibus passengers. Through the introduction of a uniform interchangeable system of fares covering all forms of transport run by the City, the traffic has increased considerably in comparison with 1926.

The City owns land to the extent of about 55,323 hectares, equal in round figures to 214 square miles. On this area forest land owned by the City covers 21,173 hectares, of which 10,015 hectares is permanent woodland. The City also owns 28 properties covering an area of 24,061 hectares, of which 12,216 hectares are sewage farms.

The value of the assets of the City, consisting of real property, plant, machinery, debtors, investments and mortgages, was estimated on January 1st, 1927, at a total of RM. 1,567,300,000. Of this amount RM. 1,125,700,000 represented productive investments. After deduction of liabilities amounting to RM. 479,800,000 there remains a surplus of assets over liabilities of RM. 1,087,500,000.

In addition to the above mentioned transport undertakings, properties and forests, the City owns the following productive undertakings :—

Electricity, gas and water works, cattle markets and slaughter houses, markets and quays.

A net income of about RM. 57,000,000 is included in the City budget for 1927 arising from productive undertakings which are the sole property of the City, representing an investment of about RM. 883,500,000.

The municipal gas, electricity and waterworks have, for the most part, a monopoly within the City area. The gas works supplied in 1925 about 576,100,000 cubic metres of gas, of which 75 per cent. was produced by municipal undertakings. In 1926 the municipal electrical works supplied altogether 717 million Kw-hours of power. The municipal waterworks served 67,000 properties and supplied 121 million cubic metres of water.

GERMAN MUNICIPAL BANKS.

We have in Great Britain one municipal bank, that of Birmingham, which has proved such a success of public ownership that the Conservative Government has persistently refused permission to the numerous other big towns that have sought to follow Birmingham's example. To obtain some of the working capital needed for the rehabilitation of the country's economic life, the German municipal banks issued a joint loan in the United States, and the following are extracts from the Prospectus dated, August 14th, 1926.

The German Savings Banks and Clearing Association (the Central Association) is an organisation for facilitating municipal banking and to assist in the development of credit and saving institutions of municipalities and other governmental subdivisions of Germany. The Association was formed in 1924 as a consolidation of associations of German Savings Banks, Municipal Banks and Clearing Associations, which dated back to 1890. The Central Association comprises thirteen District Associations and two provincial banks. The District Associations have as members approximately 2,500 cities, towns and municipal districts located throughout the country. The two provincial banks are owned respectively by the Provinces of Rhineland and Westphalia and within these two Provinces are located over 5,000 other municipalities.

The above 7,500 or more communities include thirty-eight of the forty-two cities in Germany having a population of 100,000 or more. The cities and towns which are members and the two Provinces embrace more than half the population of Germany and as the country districts generally are also included, it is estimated that the total membership embraces a population, including that of the two Provinces, of over 56,000,000, or approximately 90 per cent. of the entire population of Germany.

The banking division of the Association is the German Central Clearing Office—German Municipal Bank (Deutsche Girozentrale-Deutsche Kommunalbank) with which are affiliated numerous district offices and over 3,000 savings banks

with approximately 5,000 branches. These savings banks are practically all banking departments of municipalities which are members of the Association, or are banking departments of municipal corporations of the two Provinces, but in so far as they are separate legal entities, they are owned by their respective municipalities.

The Central Association and the District Associations are not operated primarily for profit-making purposes, but rather for the furtherance of the common interest and mutual welfare of the members and for the development of the municipal banking, credit and savings institutions. The manner in which the Central Association conducts its business does not require a large capital, but provision has been made whereby the capital may be increased as required in the proper conduct of its business. The paid in capital of the Central Association is \$4,464,283. The volume of clearing and other business of the Association in 1924 was over two billion five hundred million dollars and for 1925 over three billion dollars. The present combined deposits of the Clearing Associations, Savings Banks and affiliated organisations of the Central Association amount to over \$500,000,000.

BAVARIA'S BANK, MINES, FORESTS, VINEYARDS AND BREWERY.

In 1925 Bavaria raised a \$15,000,000 6½ per cent. Loan in New York. The prospectus, dated September 26th, 1925, contained the following statements :

STATE PROPERTIES.

As resources for the payment of its debt, the State, in addition to its taxing powers, owns (wholly or partly) extensive income producing enterprises or properties the present value of which (including the value of its interests in those owned partly) it estimates at over \$500,000,000. Among the more important of these properties are forests and hydro-electric systems, vineyards, mines, metallurgical works, the State Bank, the State Mint, medicinal springs and baths, and the Hofbräu Brewery. In addition to the above mentioned income producing assets, the State owns other properties, the value of which, while very large, is difficult to estimate. The well-known Bavarian galleries and museums contain works of art of inestimable value and the former palaces are known to every visitor to Germany. The State also owns lands other than forests, universities, schools, libraries, opera houses and theatres.

Bavarian water power resources have been estimated to be sufficient to meet all future requirements of the State. Exist-

ing and projected developments by the State contemplate an aggregate of more than 2,000,000 hp., of which some 600,000 hp. are assured by plants now in operation or under construction. The State has actively fostered the use of water power, and upon completion of the present programme of hydro-electric development it is expected that Bavarian industries will be largely independent of other types of energy. The existing State-owned power plants generate and distribute power to many of the large industries and in addition hold valuable long term contracts with the National Railways in the State for the supply of motive power.

A GOVERNMENT COMPANY OWNING BANKS, MINES, NITRATES, ALUMINIUM WORKS, ETC.

It is doubtful if a single reader has heard of the VIAG. Yet, it is one of the great industrial concerns of the world, and is carried on by the German Government, which owns the whole of its capital. The following extracts are from the Prospectus dated, December 16th, 1925, of the VIAG'S 6 per cent. Bonds, quoted in New York under the title of United Industrial Corporation.

The United Industrial Corporation (Vereinigte Industrie-Unternehmungen Aktiengesellschaft), or Viag as it is commonly known, was formed in 1923 and is the holding Company for various enterprises controlled by the German Government and constituting one of the foremost European industrial groups. The business of this group includes the wholesale production of electric power, the manufacture of aluminium, nitrates, iron, steel and miscellaneous products, the mining of coal and banking.

The hydro-electric plants of the VIAG system engaged in the wholesale production of electric power have an aggregate installed capacity of over 100,000 kw. The steam power plants of the system located adjacent to extensive lignite coal fields (also owned by subsidiaries) have an aggregate installed capacity of over 325,000 kw. not including 70,000 kw. now under construction. During the twelve months ended June 30th, 1925, the combined output of the power plants controlled by VIAG was in excess of two billion kwh. and it is calculated that during 1926 it will exceed two billion four hundred million kwh.

Through its subsidiaries engaged in the production of aluminium VIAG is the dominant factor in the German aluminium industry. The aggregate production by these subsidiaries now exceeds the total production in any other Euro-

pean country and approximates one-third of the total production in the United States. The bauxite required for the manufacture of aluminium by the VIAG subsidiaries is derived from the extensive deposits controlled by these subsidiaries. Two of the VIAG subsidiaries rank among the leading companies in the German nitrate industry with an aggregate annual production of approximately 80,000 tons. Other subsidiaries own, in various parts of Germany, a number of extensive manufacturing plants engaged in the production of steel, rolling mill products, agricultural machinery, textile machinery, tools, etc. The banking subsidiary, Reichs-Kredit-Gesellschaft A. G., is the only bank directly or indirectly controlled by the German Government and is an important factor in the economic life of Germany. It has capital, reserves and surplus of over \$10,000,000, and deposits in excess of \$84,000,000.

In addition to the subsidiaries which it controls through the ownership of all or a majority of their capital stocks, VIAG has large interests in a number of other German industrial enterprises, for example, the Ilseder Smelter Corporation (Aktiengesellschaft Ilseder Huette) of which it owns 25 per cent. of the capital stock. This corporation is one of the leaders in the German iron industry, owning and working the largest known deposit of iron ore in Germany and also controlling the Peiner Iron and Steel Rolling Mills Corporation (Aktiengesellschaft Peiner Walzwerk) and the "Frederick the Great" Mining Company (Gewerkschaft "Friederich der Grosse") which owns and operates one of the largest German coal mines.

Due to the diversified nature and the basic character of the lines of business in which the various subsidiaries are engaged the earnings of this group have a high degree of stability. A substantial amount of the products are marketed in foreign countries, which places VIAG in an advantageous position with respect to the acquisition of foreign exchange for the service of the Bonds.

LOS ANGELES HITS OUT

In the United States, as in our own country, every effort is made by the vested interests to discredit public ownership. Los Angeles, the great Californian city, with a population of over a million, is a stronghold of individualism, and is an "open shop" town. But it owns several of its public utilities, and to counteract the dishonest propaganda against them, a leaflet in the following wording is issued!

CITY OF LOS ANGELES

Bureau of Power and Light

\$57,000,000 TOTAL ASSETS.

\$800,000 GROSS REVENUE IN 1917-1918.

\$11,200,000 GROSS REVENUE IN 1925-1926.

118,000 HORSEPOWER DEVELOPED IN 5 PLANTS ON AQUEDUCT.

488,500,000 KILOWATT HOURS DISTRIBUTED 1925-1926.

223,914 SEPARATE CONSUMER SERVICES ON AUGUST 31st, 1926.

40,952 STREET LAMPS OF ALL TYPES ON JUNE 30th, 1926.

264,210 HORSEPOWER MOTOR LOAD ON AUGUST 31st, 1926.

LARGEST MUNICIPALLY OWNED ELECTRIC SYSTEM IN THE WORLD.

A Record of Success

In order that the citizens of Los Angeles may be advised accurately of the financial status and success of their Municipal Bureau of Power and Light, officials of this Bureau each year retain a nationally-recognised and totally disinterested auditing firm to investigate the accounts, records and operations of the Bureau, and return a report of its audit.

In this folder appears a photographic reproduction of the condensed balance sheet of the audit report made by the firm of Price, Waterhouse and Co., for the fiscal year ending June 30th, 1926.

It is disclosed in the audit report—

That the Bureau of Power and Light now possesses assets of \$57,416,553.62.

That the Bureau of Power and Light, during the past fiscal year, after paying off every obligation on account of operating and maintenance expenses, depreciation and interest on outstanding bonds, returned a net surplus of \$2,796,452.86.

That the total of net surpluses returned by the Bureau since its inception amounts to \$15,006,930.83.

That the citizens of Los Angeles possess a clear equity in their Bureau of Power and Light amounting to \$19,000,000.

Surplus earnings realised by the Bureau of Power and Light are used to finance permanent extensions and betterments to the Bureau's generating and distributing system, and to pay off the principal on outstanding bonds. It has been these growing surpluses that have helped to build up, for the people of Los Angeles, such a large clear equity in this system within the past few years.

SELECTION OF FABIAN PUBLICATIONS

(Complete list sent on application.)

- THE DECAY OF CAPITALIST CIVILISATION. By SIDNEY and BEATRICE WEBB. Cloth, 4s. 6d.; paper, 2s. 6d.; postage 4d.
- HISTORY OF THE FABIAN SOCIETY. By EDWARD R. PEASE. New edition. 1925. 6s.; postage 5d.
- FABIAN ESSAYS. (1920 Edition.) 2s. 6d.; postage 3d.
- KARL MARX. By HAROLD J. LASKI. 1s.; post free, 1s. 1½d.
- WHAT TO READ on Social and Economic Subjects. 2s. n.; postage, 1½d.
- MORE BOOKS TO READ (1920-1926). 6d.
- TOWARDS SOCIAL DEMOCRACY? By SIDNEY WEBB. 1s. n.; postage, 1d.
- THIS MISERY OF BOOTS. By H. G. WELLS. 6d.; post free, 7d..
- THE BRITISH CIVIL SERVICE. By HERMAN FINER, D.Sc. Paper, 2s.; postage 2d.; Cloth, 3s. 6d.; postage 4d.

FABIAN TRACTS AND LEAFLETS

Tracts, each 16 to 52 pp., price 1d., or 9d. per doz., unless otherwise stated.

Leaflets, 4 pp. each, price 1d. for three copies, 2s. per 100, or 20s. per 1,000

The Set, 7s. 6d.; post free, 8s. 6d. Bound in buckram, 12s. 6d.; post free, 13s. 6d.

I.—General Socialism in its various aspects.

TRACTS.—No. 219. Socialism and the Standardised Life. By WM. A. ROBSON. 2d.
 216. Socialism and Freedom. By H. J. LASKI. 2d. 200. The State in the New
 Social Order. By HAROLD J. LASKI. 2d. 192. Guild Socialism. By G. D. H. COLE.
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 By BERNARD SHAW. 2d. 139. Socialism and the Churches. By Rev. JOHN CLIFFORD.
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 Socialism and the Teaching of Christ. By Dr. J. CLIFFORD. 72. The Moral
 Aspects of Socialism. By SIDNEY BALL. 51. Socialism: True and False. By S.
 WEBB. 2d. 45. The Impossibilities of Anarchism. By G. B. SHAW. 2d. 7.
 Capital and Land. 5. Facts for Socialists. Thirteenth Edition, 1926. 6d. 41.
 The Fabian Society: its Early History. By BERNARD SHAW.

II.—Applications of Socialism to Particular Problems.

TRACTS.—No. 220. Seditious Offences. By E. J. C. NELP. 3d. 214. The District
 Auditor. By W. A. ROBSON. 1d. 198. Some Problems of Education. By BARBARA
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